Unsatisfactory progress of irrigation projects in Orissa

3974. SHRI H. K. JAVARE GOWDA : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether it is a fact that the on-going irrigation projects in Orissa assisted by World Bank may finally lead to cancellation due to slow progress ;

(b) whether it is also a fact that Government of Orissa is not releasing timely the matching grants to facilitate disbursement of further credit by the bank; and

(c) whether the projects have been found unsatisfactory by the World Bank ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI BIJOYA CHAKRAVARTY) : (a) to (c) The Orissa water Resources Consolidation Project is being implemented with the World Bank assistance of US$ 290.9 million. The progress of the project had slowed down due to October 1999 super cyclone and consequent diversion of resources towards reconstruction of cyclone affected infrastructure and inability of the State Governemnt to release adequate counterpart funds. However, as per the July 2001 Review by the World Bank the overall progress of the project have been found satisfactory especially, on scheme completion, system improvement and farmers turnover, basin planning and environmental action plan. The Govt. of Orissa has agreed to pay more attention towards revision of water charges for full O&M cost recovery and rehabilitation of project affected people and timely release of adequate counterpart funds for the project. To fully utilize the credit World Bank has been requested for extension of the project by two years.